20 October 1966

MEMORANDUM FOR: Chief, Soviet Bloc Division

SUBJECT:

Project AERODYNAMIC

1. The Ukrainian desk officer, _______ contacted this office on 19 October 1966 requesting our advice with respect to the Agency's susceptibility to a lawsuit.

emigre group by the name of PROLOG which is a research and publishing association having tax exempt status and, in fact, solely supported by Agency funds. In 1963, PROLOG contacted a female American citizen of Ukrainian birth who had been hired by USIA to go to the USSR as a guide for a technical book exhibit. This female spent three to four months in the USSR and did contact certain Ukrainians who had been suggested to her by PROLOG. Upon completion of her tour, she returned to the U.S. and was debriefed. There was no written agreement of employment with PROLOG, although she was reimbursed for certain travel expenses. In 1964, the same female was hired by USIA for an assignment in the USSR as a guide for another book exhibit. Her normal employment in the U.S. was that of a librarian.

3. While this female was in the USSR in 1964, she distributed approximately 100 decuments supplied by PROLOG which were supporting a Ukrainian nationalist movement and had been mailed to her via the American Embassy in Moscow. These documents would have normally been confiscated by the Soviet officials if they were aware of their distribution in the USSR. In exchange for the documents distributed, she, in turn, was given approximately twenty documents which certain Ukrainians were anxious to have published in the West. She brought these twenty documents back to the U.S. and did turn them over to PROLOG.

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Again she did not have any written contract of employment with PROLOG although they did pay for her travel expenses within the USSR to contact certain Ukrainians.

- 4. In April of 1965, the female was contacted by USIA and requested to come to Washington, D. C. for a conference. Upon receiving this call, she bacame concerned as to the nature of the conference and contacted PROLOG asking them to return the twenty documents to her so that she might make them available to the USIA. PROLOG retained two or three documents out of the original twenty but did turn over the rest to her. She came to Washington for the meeting with USIA, which was attended by a representative of CIA. She was questioned about her violation of USIA regulations, namely, bringing unofficial documents secretly from the USSR. She admitted this action on her part and was informed by USIA that she would no longer be eligible for future employment as a guide because of this violation. After USIA representatives completed their conversations, the female was introduced to the CIA representative. During a private conversation with the Agency representative, she did hand over the documents in hopes that they could be exploited by CIA for the benefit of the Ukrainians.
- 5. It seems that these documents were reviewed by CIA personnel and later returned to the female and later were reacquired by CIA from the female. The documents are presently in the possession of CIA and the female is requesting their return. She wants them this week by 21 October 1966. The specific question ______asked was whether the female could bring suit against the Agency for the return of the documents.
- 6. At the present time, with the facts available, there does not seem to be a firm basis for establishing title to the documents in CIA. The strongest presumption of title would probably rest with PROLOG on the basis that they furnished the names of individuals to be contacted in the Ukraine, they provided material to be given to the Ukrainians, and they did reimburse her for the travel expenses to the Ukraine. The female, at this time, appears to be disenchanted with PROLOG since, in her opinion, they have not aggressively exploited the

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documents she gave them and therefore she does not wish to continue association with them. We don't think the female is aware of CIA's support to PROLOG. The simplest solution would appear to return the documents and not mount any operational exploitation of them. This would obviously prevent any legal suit involving the papers against the Agency by the female. Since we have no legal basis for retaining the papers, her request should be complied with immediately.

/8/C

Office of General Counsel